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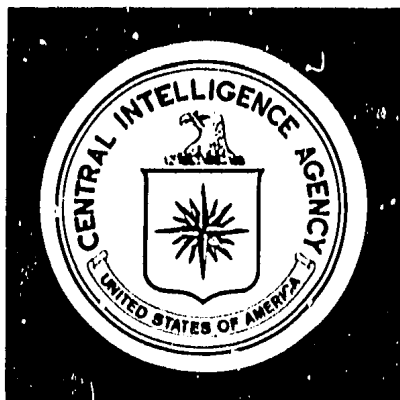
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Developments in Indochina

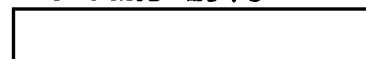
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Developments in Indochina

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CAMBODIA 1

A glimpse at provincial capitals in Cambodia, which are out of the glare of publicity, reveals a mosaic of contrasts. Most are still under government control, isolated from Phnom Penh as well as from the surrounding countryside. Daily life in these cities and towns ranges from squalor to relative prosperity. These differences are largely related to their proximity to the war and the character of Khmer Communist control in nearby rural areas.

SOUTH VIETNAM. 3

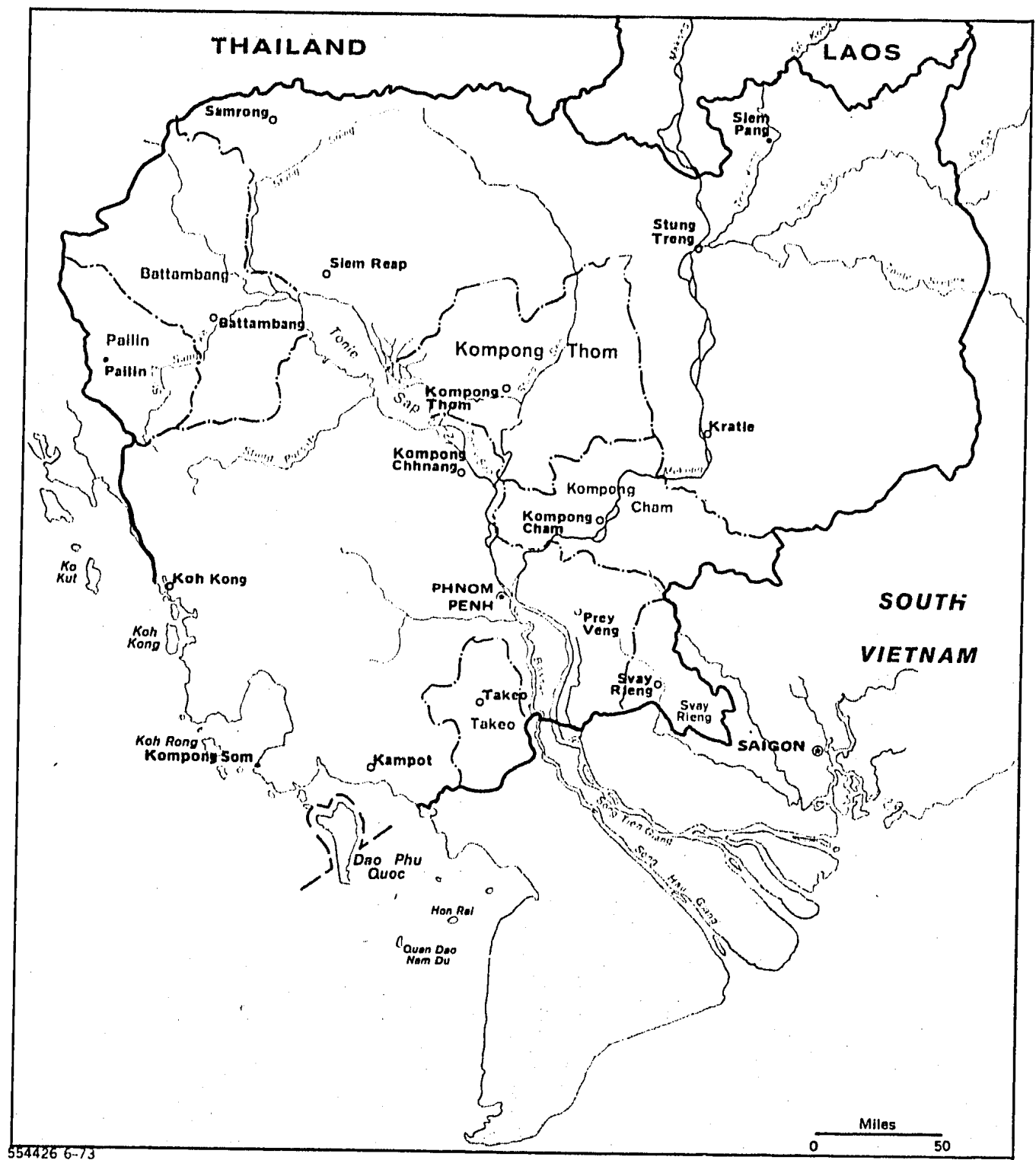
Some independent and opposition elements are trying to line up slates for the senatorial elections in August, but the early filing time of 17 June will prevent some from running.



REGIONAL DEVELOPMENTS 7

The North Vietnamese have dropped another hint that they will be seeking ways to lessen their dependence on Peking and Moscow.

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CAMBODIACambodia's Other Capitals

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Economic conditions in Cambodia's provincial capitals--which receive little publicity--are an important indicator of national stability and present an intriguing mosaic of contrasts. Most provincial capitals still under government control are isolated not only from Phnom Penh but, in most cases, from the surrounding countryside. Daily life in these cities and towns ranges from squalor to relative prosperity. These differences are largely related to their proximity to the war and the character of Khmer Communist control in nearby rural areas. US airpower--or the threat of it--has prevented the Communists from taking some capitals, such as Takeo. In other cases, however, the Communists may see little to be gained by the occupation of deteriorating, refugee-filled cities when their control of the countryside puts the responsibility for the cities' survival on the already overburdened Phnom Penh government.

Of all the capitals still in government hands, Kompong Thom has deteriorated the most. Once a crossroads town of 10,000 people, it has been transformed by three years of virtual siege into an enclave of 15,000, over half of whom are refugees and the rest military and their dependents. Almost none of the prewar inhabitants remain. All essential commodities must be flown in. Food particularly is a problem; only 175 tons of rice were harvested in the surrounding area last season, compared with over 10,000 tons in 1970.

Svay Rieng City, which has been cut off from Phnom Penh for over a year, is only marginally better off. Government control extends slightly beyond the city limits, but includes 100,000 people, one quarter of whom are refugees. Prior to the war, the city could draw on rice production from some 130,000 hectares in the province, but now only 2,300 hectares can be cultivated. Consequently, most food and all

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other supplies must be airlifted in. Svay Rieng is a considerable drain on Phnom Penh, which has neither the military power to relieve the city's isolation nor the means to keep it continually supplied by air.

In contrast, the capitals of Battambang, Pailin, and Kompong Cham have generally been models of serenity. Battambang City is at the hub of Cambodia's richest rice-growing province, most of which is under government control. Until shelled twice this week by the Communists, Battambang was almost unaffected by the war. Industry still flourishes in the city, rice supplies are abundant, and needed commodities are easily imported from Thailand. Prices are substantially lower than those in Phnom Penh.

Pailin is a case where the economic resources of the area and the distance from the mainstream of the war have combined to produce a relatively healthy urban center. A substantial gem industry in the province makes Pailin one of Cambodia's wealthier cities. It is not self-sufficient in rice, but is rich in other agricultural products and has substantial trade with Battambang and Thailand. Almost half of the city's 50,000 inhabitants are refugees drawn from other areas, but most are self-supporting.

In Kompong Cham, Cambodia's third largest city, there has been accommodation between the two sides primarily for commercial purposes. This has meant that the city is relatively free from attack, the western portion of Route 7 is secure by day, and the Communists are able to procure supplies through city merchants. Attracted by this comparative stability, there are 70,000 people in the city, with another 100,000 in surrounding government-held areas. Most of the city's 30,000 refugees--although underemployed--are working. Kompong Cham draws most of its rice from Phnom Penh but is self-sufficient in other foodstuffs and ships vegetables to the national capital. A large textile mill is still in operation. Most importantly, rubber is being produced at Cambodia's major plantations in enemy-held territory and sold in Kompong Cham for shipment to Phnom Penh. Rubber production had ceased earlier in the war, but is now about 25 to 50 percent of the prewar level of 50,000 tons annually.

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SOUTH VIETNAM

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In Search of Senate
Candidates

The government has confirmed that slates wishing to participate in the Senate election must file the names of their candidates by 17 June. Some independent and opposition elements are trying to line up slates, but it remains doubtful whether they will meet the deadline. There has been some discussion about forming a united opposition slate composed of all of the major non-Communist forces outside of the government camp, but this now seems unlikely. Leaders of some of these groups apparently are determined to sit the election out.

President Thieu's Democracy Party seems certain to run two slates, and possibly more. Democracy Party leaders reportedly are recommending to Thieu that to protect itself against the specter of a one-party election, the government party should run four slates. Two of these would be "buffer" slates that could withdraw if opposition lists are entered. Of the other two slates, only one would be composed of known Democracy Party members. The other would consist of covert party members, including retired generals and representatives of religious groups.

Thieu reportedly is stressing the importance of a Democracy Party victory in the election, claiming this will enable him to enact constitutional amendments for more effective administration of the country. The government would have to elect two slates in order to give Thieu's supporters firm control in the Senate.

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REGIONAL DEVELOPMENTSHanoi Sings an Independent Tune [REDACTED]

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The North Vietnamese have dropped another hint that they will be seeking ways to lessen their dependence on Peking and Moscow, whose policies, Hanoi believes, have undermined the North Vietnamese position. This was reflected in an article in the Swedish press on 14 June by a correspondent who recently traveled to Hanoi with Swedish Foreign Minister Wickman. The article was based on conversations with Hoang Tung, editor of the party journal *Nhan Dan*. Tung indicated that the relationships among the three superpowers are creating "more and more complications" for the small states, including North Vietnam. Fortunately, says Tung, many small states "have begun to decide for themselves" and "are no longer chess pawns for the superpowers."

According to the article, Tung lamented the detrimental effects of the Sino-Soviet split on the Vietnamese war effort. "Our war of resistance," Tung said, "would have been simpler and our victories greater if there had not been so great divisions between the Soviet Union and China." He claimed that, among other things, the conflict had "bad effects on the morale of our fighters."

The Swedish correspondent quoted unidentified sources as saying that Hanoi intends to cooperate with three groups of countries as a counterweight to the three superpowers--the industrial powers such as Sweden and Japan, the "small democratic countries," and the countries of Southeast Asia.

The Swede cited North Vietnam's interest in attending the coming conference of non-aligned states in Algiers as an indication of their future interests.

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